Finance Committee Meeting
Meeting: 2 p.m., Thursday, May 7, 2026
Bret Kelly A Room on 1st Floor
Rawlings Library ★ 100 E. Abriendo Ave. ★ Pueblo, Co 81004
With Virtual Teleconference Option

MINUTES

Board Members Present–Ms. Alexandria Romero, Mr. Chad Heberly, Ms. Laura Solano, Ms. Sherri Baca and Ms. Bri Reyes

Excused– Mr. Joe Arrigo and Ms. Abbey Hartless

Staff Present–Mr. Nick Potter, Ms. Maria Kropf and Ms. Gloria Madrill

Guests–Mr. Mark Kennedy

Call to Order and Welcome

Ms. Romero called the meeting to order at 2:00 p.m.

Approval of Minutes

No modifications were made to the minutes. Mr. Heberly made a motion to approve the minutes for the February 5 Finance Committee Meeting. Ms. Solano seconded the motion. All in favor. Motion passes.

Q1 2026 Stifel Investment Report

Mr. Kennedy provided an update on the Foundation's investment portfolio performance. He mentioned the market has been experiencing some volatility, in part to the Iranian conflict and fuel costs. The current market value of the account, is $758,894. Interest income is $20,208 or 2.66% in dividend and interest income. We currently hold 64.04% in equities, after taking out our REIT/Real Estate positions of 5.1%, the portfolio nets 58.94% in stocks which is an acceptable portion according to the Investment Policy Statement. Our stock portfolio totaled $486,003. Mr. Kennedy shared that financials may be underperforming in part due to AI concerns and how it will impact businesses. Mr. Kennedy noted our performance from January 2026 to May 2026 is up $29,620 or 4.13%. He said he doesn't have any recommendations for change right now but may at the next meeting. Mr. Kennedy mentioned with the new fed chair there may be some changes in interest rates.

Mr. Kennedy also shared some information about the Foundation's money market account. The current balance is $605 and the current yield is 3.42%. Ms. Baca asked if they are monitoring signs of a recession. Mr. Kennedy answered "yes" and that recession indicators are currently low.

March 31, 2026 Financial Report

Ms. Reyes reviewed the preliminary financials starting with the balance sheet. The assets, liabilities, and equity total $766,439.18. Next, Ms. Reyes reviewed the Statement of Revenues and Expenditures. She talked about the revenue and expenditures for the quarter and the year-to-date. Total unrestricted revenue for the quarter was $20,267, total restricted revenue was $1,100 and the total expenditures for the quarter were $50,027, bringing a revenue under expenditures total this quarter of $28,660. Ms. Reyes added the expenses exceeded the revenue due to the contribution made to the district. Ms. Reyes then talked about the Summary of Restrictions report, reviewing the various categories. She noted the total current balance is $135,714.30. Mr. Heberly made a motion to accept the financial report for the period ending March 31, 2026. Ms. Baca seconded the motion. All in favor. Motion passes.

Q1 2026 Gifts Received Report

Mr. Potter provided an update on fundraising activities and gifts received in the first quarter. In Q1, PCCLD and the Foundation combined brought in $142,839.64 in fundraising revenue. He noted there was some activity this quarter related to the Outstanding Women Awards (nomination fees, reservations for tables and individuals, and other gifts), the capital campaigns (Building Community Together Capital Campaign and Lucero Library Capital Campaign), 2026 Summer Reading Program, 2026 Booklovers Ball Sponsorships, unrestricted gifts and other miscellaneous contributions.

The recommendation within the report is to transfer $1,211.60 from the Pueblo Library Foundation to the district. Ms. Solano made a motion to approve the recommended transfer of $1,211.60 from the Foundation to the district. Mr. Heberly seconded the motion. All in favor. Motion passes.

Prior Year Restrictions

Mr. Potter shared our finance department has been working on clean up and reconciliation of accounts from previous years. There were some items still held on the Foundation side that needs be sent over to the district. The current checking account balance is $34,451. We would like to transfer to the district $1,211.60 that we spoke about earlier, Capital Campaign funds from 2021 for $1,379.90, Capital Campaign funds from 2022 for $9,900, EZ funds from 2023 for $0.12, and EZ funds from 2025 for $264.50. The balance after Q1 and prior year transfers would be $21,694.88. If we leave an operating balance of $8,800 we would like to recommend a transfer to investments of $13,694.88. Ms. Solano asked if the auditors didn't count them because they were restricted. Ms. Reyes said they weren't caught because they weren't released, but they were in the restrictions. Ms. Solano made a motion to approve the recommended transfer of $11,279.90 from the Foundation to the district for capital campaign restrictions and $264.62 for enterprise zone funds. Ms. Reyes seconded the motion. All in favor. Motion passes.

Next there was a vote to transfer $13,694.88 to long-term investments. Ms. Romero made a motion to approve the recommended transfer of $13,694.88 from the Foundation's checking account to Stifel long-term investments. Mr. Heberly seconded the motion. All in favor. Motion passes. The vote was later amended to undo the vote to transfer $13,694.88 to long-term investments. Ms. Solano made the motion for the amendment and Mr. Heberly seconded the motion. All in favor. Motion passes.

Ms. Solano made a motion to approve the recommended transfer of $13,694.88 from the Foundation's checking account to Stifel money market account. Mr. Heberly seconded the motion. All in favor. Motion passes.

Audit and Form 990 Tax Return Update

Ms. Reyes gave an update on the Audit and Form 990 Tax Return. Auditors were on site in April to do some testing. Karen Heershap from Hewitt, Heerschap & Couch, PC has filed an extension on the 990 since the audit is not complete yet.

Colorado House Bill 24B-1001 Considerations

Mr. Potter shared polling is underway. After it is complete it will be shared with the trustees this month and they will decide if the library will be on the ballot. Since the next board meeting won't occur until after this time we are recommending a contingency vote for the Foundation and Friends of the Library boards be brought that if there is a campaign is created they will allow a donation in support of the campaign.

The trustees will also take into consideration other organizations that may be seeking ballot considerations measures this year. Mr. Potter and Ms. Baca said they could also share the results from Magellan with the board.

Review of Investment Policy

Mr. Potter talked about the Investment Policy review. He reviewed the proposed updates with Mr. Kennedy. The updates included the fiduciary language. In the investment advisory section to require that the advisor acts like a fiduciary. Also, the guidelines that the small cap language be updated from a $500 million threshold to a $2 billion threshold. Mr. Kennedy was good with the changes. Mr. Heberly made a motion to move approval of the changes to the investment policy to the board at the next meeting. Ms. Romero seconded the motion. All in favor. Motion passes.

Adjourned 3:06 p.m.

Respectfully submitted,
Gloria Madrill
Recording Secretary